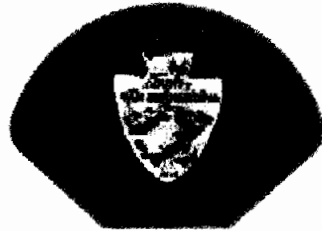


**SAN BERNARDINO COUNTY  
CONSOLIDATED FIRE DISTRICT**



**REORGANIZATION PROPOSAL  
LAFCO APPLICATION**

Submitted by



**BOARD OF SUPERVISORS  
COUNTY OF SAN BERNARDINO  
BILL POSTMUS, CHAIRMAN  
385 North Arrowhead Avenue, Fifth Floor  
San Bernardino, California 92415-0110**

## EXECUTIVE SUMMARY

This application for reorganization of the San Bernardino Consolidated Fire District, commonly and hereinafter referred to as the County Fire Department, is the result of over three years of study by the County Board of Supervisors. The Board of Supervisors has submitted this application not only in its capacity as the governing body of the County, but as the governing body of the various Board-governed special districts and entities which comprise the County Fire Department.

Because the materials contained in this application follow the prescribed LAFCO format and are ordered in sequence as requested by the Commission, much of the overall proposal description may appear disjointed or difficult to conceptualize as presented. Also, there is no provision in the application materials for a general history of the proposed reorganization, which may aid in an overall understanding of the proposal.

With this in mind, the executive summary has been organized into three parts: History, Proposal Description, and Conclusion.

### HISTORY

The County Fire Department is a full service fire department serving most of the unincorporated area of the County as well as a number of incorporated cities by either service contracts or through an overlaying fire protection district. It is comprised of thirty-two (32) separate entities spread throughout the County, including nine (9) county service areas (CSA's), thirteen (13) improvement zones to those CSA's, five (5) fire protection districts, and five (5) ambulance areas. The formation of these districts dates back to 1949, when the community of Yucca Valley established the Yucca Valley Fire Protection District. As population growth in the County began to increase dramatically during the next several decades, public demand for municipal services also increased. This was particularly true for the County's unincorporated areas, as many new residents elected to settle away from traditional city urban areas and into more undeveloped and remote communities. As new communities were formed, numerous special districts were created to provide municipal type services such as streetlights, parks, roads, water, and sanitation, to name a few. Fire protection and emergency medical response services were critical to these communities, and many districts were either formed or had fire powers added to provide these services between 1950 and 1980. Some of these districts were formed under the "self governance" model, where the district is governed by an independently-elected board of directors. The County Board of Supervisors, acting in its capacity as the governing body for each of the fire protection districts or CSA's, governs all the districts comprising the County Fire Department.

By 1982, there was still no single consolidated agency known as the "County Fire Department." Instead, each of the Board-governed fire protection districts or CSA's was managed by a separate staffing structure that reported through the County Special Districts Department to the Board of Supervisors. An initial consolidation of functions was approved in 1982, when the Board approved a single fire chief position funded within CSA 70 (Fire Administration) to oversee the operations of both the Central Valley and Chino fire protection districts, thus eliminating one fire chief position. A subsequent

consolidation in 1985 added the Lake Arrowhead, Yucca Valley, Lucerne Valley, and Wrightwood fire protection districts to this arrangement, which became identified as the "San Bernardino County Fire Agency." This consolidation also included some of the support services normally associated with a county agency, such as vehicle services, fire prevention, and training/safety activities.

In 1994, the Board of Supervisors initiated a full management consolidation that brought all fire protection districts, CSA's, and CSA improvement zones—with the exception of CSA 38—under the administrative oversight of the CSA 70, the "County Consolidated Fire District (County Fire Department)." The California Department of Forestry (CDF) continued to manage the operations of CSA 38 and its improvement zones, as much of this area constituted watershed protection areas throughout the County and the Board had a long-standing contract with the State to provide services to the area due to the location of the State's stations. However, in 1997, the Board adopted an amended contract with CDF that transferred the responsibility of the unfunded areas and the CSA 38 Colorado River area to the County Fire Department. Periodic transfers of area and responsibility continued until January of 1999, when the entirety of all Board-governed fire districts and all of CSA 38 was placed under the auspices of the County Fire Department.

In 2002, the Board of Supervisors, in response to growing concerns about the financial stability of a number of districts within the County Fire Department, directed that a study be conducted to determine the financial health of the Department with accompanying recommendations for improvement. The study was conducted by Emergency Services Consultants, Inc., (ESCi), and its conclusions and recommendations were presented to the Board in May, 2003. The study concluded that the County Fire Department faced a cumulative \$83 million deficit in funding its operations by the end of fiscal year 2010/11. The study recommended the pursuit of a number of financing mechanisms to help counter this scenario. It also recommended a reorganization of the current County Fire Department for greater management efficiencies and effectiveness, and the development of countywide service level and deployment goals to be used in planning for future expenditure and revenue projections on a consistent basis.

Following the ESCi presentation, the County Administrative Office and County Fire Department led a work group to refine the report recommendations. Staff presented the work group's final report and recommendations to the Board at two workshops, one held in November, 2004 and the other in February, 2005. At the latter workshop, the Board directed staff to develop an application to the Local Agency Formation Commission to implement a reorganization of the County Fire Department consistent with one of the options presented at the workshops. The proposal is more fully described in the following section of the summary.

## **PROPOSAL DESCRIPTION**

The proposal contained in this application, in broad terms, is the final chapter in a series of management consolidations and reorganizations begun in the 1980's to establish a single efficient and effective County Fire Department. The goal of the reorganization, simply put, is to simplify the management and oversight of the Department's thirty-two separate entities by consolidating them into a single fire protection district with a number of regional and special improvement districts designed to protect the funding resources of those communities. The efficiencies to be achieved by the reorganization include simplified budgeting and fiscal operations, greater flexibility in the use of Department resources and assets throughout the operation, and more effective use of executive management to oversee the day-to-day activities of the Department. In addition, the reorganization would help a number of districts financially by including them in a larger, regional funding base with more efficient use of regional resources and assets. It would also clearly delineate for the Board of Supervisors and general public where major funding issues reside with respect to providing current levels of service, and allow for targeted planning strategies to address those funding needs. A significant residual benefit of the reorganization is that the consolidation of the separate Board-governed fire agencies into a single district provides the general public with a clearer understanding of the County Fire Department and its operations compared to the current structure, which is fragmented and confusing.

It should be noted that a basic assumption of the reorganization is that no existing service levels provided within Board-governed agencies will be changed or affected. Although some districts might benefit from the efficiencies and financing of being included in a larger regional system, basic staffing and equipment levels for all jurisdictions will be maintained as currently established. Any increases or decreases in proposed service levels will continue to be analyzed and recommended by the County Fire Department and ultimately approved by the Board of Supervisors in accordance with existing policies.

### **1. Overall Proposal Concept**

The overall concept of the proposal is to expand the sphere of influence and boundaries of the current Yucca Valley Fire Protection District to include all unincorporated areas of the County with the exception of other self-governed entities having fire powers and to overlay the cities of Yucca Valley, Fontana and Grand Terrace (each of which is currently overlaid by a Board-governed fire agency), and to rename the district as the "San Bernardino County Fire Protection District." Concurrent with this action, the remaining Board-governed fire protection agencies would be either dissolved, have their fire powers removed, or be re-established as new improvement districts within the parent district (refer to Attachment A of the application supplement, "Annexation, Detachment, Reorganization Proposals," for a listing of the actions requested).

The new district would be divided into four (4) regional improvement districts: Valley, Mountain, North Desert, and South Desert. These improvement districts are intended to preserve the property tax and other local revenue base for the region, preventing the

subsidizing of Departmental operational expenditures outside of the area. Each of the improvement districts would have a separate annual budget and be administered within the financial constraints of that budget. Also, a Board-appointed advisory commission could be established for each regional improvement district to provide input and recommendations to the Board regarding operations of the improvement district.

In addition to the four regional improvement districts, six special improvement districts would be established with identical boundaries as those of the existing districts where special taxes have been implemented for fire/emergency medical services. By law, these communities must continue to have the special tax revenues protected through the establishment of improvement districts within the new parent district. A chart depicting the realignment of districts under the new reorganizational structure is provided at the end of this Executive Summary.

All staff, equipment, and facilities of the former districts or improvement zones would be transferred to the new San Bernardino County Fire Protection District.

## **2. Impact on Existing Districts and Communities**

As indicated above, there will be no practical operational or service level impacts resulting from the approval of this application. The residents of these communities will see no change in Fire Department operations, other than the change from several local advisory commission structures to a larger regional advisory commission for their area. However, the proposal does represent a significant restructuring of the existing service delivery system for the County Fire Department. Some districts will be dissolved (9), others will have fire-related powers removed (14), others will be converted into new improvement districts (6), and the various ambulance areas (5) will be maintained. In this sense, the application represents a major technical proposal for district reorganization.

A district-by-district description of each Board-governed agency affected by the reorganization, the proposed reorganization action for that agency, and the resulting service level impact is contained on pages 9-21 of the Plan For Services section of the supplement, "Annexation, Detachment, Reorganization Proposals."

## **3. Removal of Fire Powers from County Service Area 70 (Fire Administration)**

County Service Area 70, as indicated in the application, currently provides overall administrative management and related centralized services to the existing County Fire Department structure. Its functions are more fully detailed in pages 2-7 of the Plan For Services section of the supplement, "Annexation, Detachment, Reorganization Proposals." The boundary of CSA 70 is essentially coterminous with the County's unincorporated boundaries, with cities being excluded. The district does overlay, however, other Board-governed and independently-governed special districts providing fire and emergency medical services. This was permitted by the Local Agency Formation Commission because CSA 70 provides a number of non-suppression related

services that benefit these districts such as the Office of Emergency Services, Fire Warden/Fire Marshal activities, and administration of general fire protection in the unfunded communities of the desert. The district currently receives a little over \$5 million in annual property tax revenue from its overall tax base, including revenue from these areas.

As a part of the application to remove fire powers from CSA 70, and upon approval of the reorganization, the County Auditor/Controller-Recorder would be directed to transfer all CSA 70 ad valorem property tax revenues to a pre-determined budget. This budget (i.e. General Fund-Fire Warden) would be established for the purpose of receiving all of CSA 70's former fire property tax revenues along with General Fund revenue allocated to specific department operations and programs (i.e. Office of Emergency Services, Fire Warden responsibilities, and Fire Protection Planning and Engineering), which in turn would be distributed to the SBCFPD budget (via an operating transfer out) to fund County Fire Administration.

#### **4. Service Level and Deployment Goals**

In approving the application to the Commission, the Board also approved the San Bernardino County Fire Department Service Levels and Deployment Goals, a set of countywide staffing, equipment, and response time objectives for seven geo-coded areas of the County, to be used as a planning document by the Department. These goals are fully described in pages 23-36 of the Plan For Services section (also see Appendix B) and provide an indication of the optimal service levels to be provided by the newly reorganized district. Full implementation of these service levels, of course, would be dependent upon required funding.

#### **5. Financing the District**

There are thirty-two fire districts operated by County Fire and each of these CSA or fire Protection District's has an operating budget(s) for each type of service provided (i.e. fire, ambulance, paramedic). The districts budgets are developed by the County Fire Fiscal Division, reviewed by the ED/PSG Administration, and presented annually to the Board of Supervisors for adoption. For FY 2004/05, the Board adopted Fire District budgets that totaled \$86,920,113 in the aggregate.

If the reorganization is approved, the number of budgets would be consolidated from thirty-two (32) to eleven (11) as follows: one for the new consolidated budget; four regional improvement district budgets (Valley, Mountain, North Desert, and South Desert); and six special tax budgets. Essentially, the existing budgets would fold into the newly created budgets based on the geographical location. These new budgets would continue to be developed by the County Fire Fiscal Services Division, reviewed by ED/PSG, and presented to the Board for annual adoption. Examples of the eleven budgets, based on projected FY 2005/06 numbers used in the County's Fire Study, are provided in the Plan For Services, Section 5.4.

## **CONCLUSION**

The proposal contained in this application, while technically a major undertaking in terms of the LAFCO reorganization actions involved, is essentially a management reorganization to improve the overall efficiency and effectiveness of the County Fire Department. This goal is accomplished by reducing the thirty-two separate management operations included in the current organizational structure into a single, consolidated fire protection district with a number of improvement districts to protect regional and special funding sources.

No significant changes in operation or service levels result from this reorganization, but the benefits are significant. The reorganization:

- Provides the most effective option for streamlining the delivery of service and simplifying budget, fiscal, operational, and asset management, and creates a single countywide Fire Protection District.
- Provides the longest projection of financial solvency for the County Fire Department, based on a special district delivery system.
- Continues separate legal liability from the County by maintaining a special district delivery system. The establishment of a single Fire Protection District will also protect smaller districts by transferring liability exposure to a larger district.
- Provides protection for property tax erosion as all property tax bases of the former districts are collapsed into a larger countywide district tax base.
- Best accommodates special tax election initiatives for fire protection service on either a single district or improvement district (regional) basis.
- Clarifies the structure and operation of the County Fire Department for the general public.

As mentioned, the reorganized district would be comprised of four (4) regional improvement districts, each having specific boundaries to ensure that the property tax base of the region was used along with other resources to fund that improvement district. Each improvement district would have a separate annual budget for its expenditures and revenues. Current County projections indicate that the Valley and Mountain improvement districts are well funded to provide current levels of service to those communities at least through FY 2010/11 and probably well beyond. The North Desert and South Desert Improvement Districts are less capable of funding their current levels of service, and this is where the County will need to focus its revenue enhancing efforts in the future. In addition to the four regional improvement districts, six (6) special improvement districts would be established to protect special voter-approved taxes for fire protection and related services. The boundaries of these improvement districts would be the same as the boundaries of the prior districts established for these services, and renamed in accordance with the new district. New improvement districts could be

established in the future if communities elect to approve special taxes for special or higher levels of service.

The documentation provided in this application for reorganization of the County Fire Department includes both 1) the "Supplement For Annexation, Detachment, and Reorganization Proposals," including the Plan For Service, and 2) the "Supplement For Sphere Of Influence Change," for the expansion of the Yucca Valley Fire Protection District.



## PROPOSED REALIGNMENT OF CURRENT FIRE DISTRICTS

REORGANIZED DISTRICTS	FORMER DISTRICTS
San Bernardino County Fire Protection District (SBCFPD)	CSA 70 County Fire
Valley Improvement District (VID)	Central Valley Fire Protection District, CSA 38 Consolidated Fire Services, CSA 38 H Colton, Monte Vista Fire Protection District
Special Tax Improvement District(s) within VID: PM2-Highland Paramedic, PM3-Yucalpa Paramedic	CSA 38 L Highland-Paramedic, CSA 38 M Yucalpa-Paramedic
Mountain Improvement District (MID)	Lake Arrowhead Fire Protection District and Ambulance, CSA 53 B Fawnskin, CSA 38 Consolidated Fire Services, CSA 79 Green Valley Lake, Forest Falls Fire Protection District
Special Tax Improvement District(s) within MID: PM1-Lake Arrowhead Paramedic	CSA 70 PM-1 Lake Arrowhead-Paramedic
North Desert Improvement District (NDID)	CSA 38 Consolidated Fire Services, CSA 29 Lucerne Valley Fire and Ambulance, CSA 38 D Victorville (Mt. View Acres), CSA 38 K Spring Valley, CSA 56 Wrightwood Fire and Ambulance, CSA 56 F-1 Pinon Hills, CSA 70 W Hinkley, CSA 82 SV-1 Searles Valley Fire and Ambulance
Special Tax Improvement District(s) within NDID: FP1-Red Mountain, FP2-Windy Acres, FP3-EI Mirage	CSA 30 Red Mountain, CSA 70 FP-1 Windy Acres, CSA 38 N El Mirage
South Desert Improvement District (SDID)	Yucca Valley Fire Protection District and Ambulance, CSA 20 Joshua Tree, CSA 38 Consolidated Fire Services, CSA 38 J Big River, CSA 70HL Havasu Lake, CSA 70 M Wonder Valley
Special Tax Improvement District(s) within SDID: FP4-Wonder Valley	CSA 70 M Wonder Valley